

D/L 24E  
DDL ②

DDA 79-1954/1

BOPS —

11 June 1979

NOTE FOR: Comptroller

FROM: Don I. Wortman  
Deputy Director for Administration

1. Attached is material that has already been forwarded to your office regarding the President's creation of a Management Improvement Council. I would appreciate your views.

2. My view is that we ought to "low-key" this since I think it is aimed primarily at other large-scale aspects of civilian government. I am not sure what we have to offer in this kind of exercise.



Don I. Wortman

STATINTL

Att

Distribution:

- Orig - Compt
- 8 - DDA Office Directors
- 1 - DDA

May 31, 1979

Executive Registry

79-1392

DD/A Registry

79-1954

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

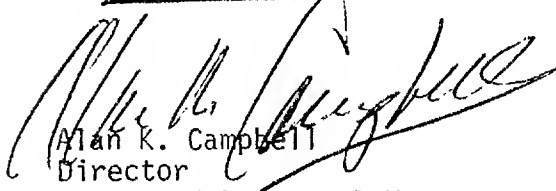
SUBJECT: Presidential Management Improvement Council


The President has requested that the Directors of the Office of Management and Budget and the Office of Personnel Management jointly lead an advisory council to assist Federal agencies to improve their management and program performance. The Council members will be appointed by the President and will be composed of outstanding management experts from Federal, State and local governments, universities, the private sector, and organized labor.

We will be developing a list of issues and topics for the Council covering areas of possible assistance to individual agencies. The work will be done primarily under agency leadership with assistance by the Council and will include both specific agency problems as well as cross-cutting, government-wide management improvements. Recent efforts to improve the Federal Government's handling of cash management, as well as the work with private industry advisors on designing merit pay, are examples of previous efforts which suggest some of the kinds of issues the Council may address. A project which we will suggest to the Council as high priority will be an effort to improve Government debt collection practices and performance.

We will be calling on you to help us identify additional management issues for the Council, as well as examples of successful management improvements which can be widely disseminated throughout the Government. We will also need your suggestions on how the Council might help support your efforts to improve performance. We are attaching a copy of the President's memorandum to us on the Management Improvement Council and a fact sheet which contains further information.

We are looking forward to working with you on this cooperative effort. OMB and OPM will provide the Council with a small staff to act as a secretariat and conduit for ideas such as the organization, staffing and prioritization of projects. We will be talking to you as we move forward.

  
Alan K. Campbell  
Director  
Office of Personnel Management

  
James T. McIntyre, Jr.  
Director  
Office of Management and Budget

Attachments

WASHINGTON

May 3, 1979

MEMORANDUM FOR THE ATTORNEY GENERAL  
THE DIRECTOR, OFFICE OF MANAGEMENT  
AND BUDGET  
THE DIRECTOR, OFFICE OF PERSONNEL  
MANAGEMENT

SUBJECT: Improving Management and Combating Fraud  
and Waste in Federal Programs

Since the beginning of my Administration I have emphasized the high priority I place on improving the operations of Federal agencies. Implementation of the Civil Service Reform Act and the Inspector General Act provides an opportunity to strengthen our efforts to improve agency management practices and manage the resources of the government well, free of waste, fraud, and inefficiency. I want to seize this opportunity.

In recent months I have asked each of you to assume specific responsibilities which include:

- o the Director of OMB providing direction and assistance in implementing the Inspector General legislation and overseeing government-wide efforts to combat fraud, waste, and mismanagement in program operations;
- o the Attorney General assuring that the activities of Inspectors General and similar officers are coordinated with other investigative and prosecutorial activities; and
- o the Director of OPM working with the Attorney General and the Secretary of the Treasury to improve the training of investigative and audit staffs throughout the Executive Branch.

I believe we should now launch a management improvement program that builds on Civil Service reform and on our other ongoing efforts to improve both management practices and program performance across the entire government. At the same time we should pursue a coordinated anti-fraud and waste campaign that focuses on implementing the Inspector General program. While these two efforts should be organizationally separate, each of you should assure that they complement each other.

Executive Group to Combat Fraud and Waste in Government

I am establishing an Executive Group to Combat Fraud and Waste in Government to assure effective implementation of the Inspector General Act of 1978 and other efforts to combat fraud and waste in programs of the Federal Government. The Deputy Attorney General shall serve as Chairman and the Deputy Director of the Office of Management and Budget shall serve as Vice Chairman of the Executive Group. Its membership will consist of the statutory Inspectors General, the Deputy Director of the Office of Personnel Management, and the Special Counsel of the Merit Systems Protection Board, and representatives of the Federal Bureau of Investigation, Internal Revenue Service, and Postal Inspection Service. Other officials should be brought in to work with the Executive Group as appropriate. The Department of Justice and the Office of Management and Budget should provide the necessary staff support.

The responsibilities and functions of the Executive Group include:

- o Providing leadership, and formulating policy and operational guidance, to the Inspectors General and other officers of the Executive Branch in combating fraud and waste in government programs, including the development and promotion of:
  - programs that prevent and detect fraud and waste in Federal programs;
  - procedures to assure that investigations by the Inspectors General and similar officials are coordinated with investigative and prosecutorial activities by law enforcement agencies; and

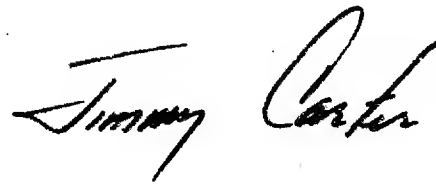
- improvements in training for audit and investigative personnel.
- o Promoting coordinated allocation and direction of audit and investigative resources.
- o Studying and seeking to resolve extraordinary problems or issues relating to fraud and waste which are beyond the capacity or authority of the individual executive departments or agencies.
- o Developing recommendations for needed legislation and other actions that can be taken to reduce fraud and waste in the Federal Government.

#### Presidential Management Improvement Council

I am establishing a Presidential Management Improvement Council to support efforts to improve Federal management and program performance and to further the government-wide management improvements envisioned in the Civil Service Reform Act of 1978. The Council shall be co-chaired by the Directors of the Office of Management and Budget and the Office of Personnel Management. Its membership will consist of representatives from Federal agencies, as appropriate, and the private sector, including corporate executive officers and foundation and academic leaders. The Office of Management and Budget and the Office of Personnel Management should provide the necessary staff support for the Council.

The identification of critical management problems for consideration by the Council shall be the joint responsibility of the Office of Management and Budget and the Office of Personnel Management, in consultation with departments and agencies. In addition, I will ask the Council to undertake specific management improvement projects from time to time.

I expect the Council to work cooperatively with the Comptroller General, agency Inspectors General, and senior program management and administrative officials in the departments and agencies. The Council should keep me informed of its activities and bring significant problem areas to my attention.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink on a white background.

OFFICE OF PERSONNEL MANAGEMENT

---

OPM

FACT SHEET

THE PRESIDENT'S MANAGEMENT IMPROVEMENT COUNCIL

The President has established a Management Improvement Council to support efforts to improve management practices and program performance throughout the Federal government. This Council, which is to be co-chaired by the Directors of the Office of Management and Budget and the Office of Personnel Management, will further the government-wide management reforms and improvements envisioned by the Civil Service Reform Act of 1978. It will complement the reorganization efforts already under way in the Federal government through efforts to address and solve specific management problems.

The President will appoint the Council, and will give it a series of specific tasks. The membership, in addition to the two Directors of the Office of Management and Budget and the Office of Personnel Management who are jointly to chair the Council, will include members from Federal agencies, business, labor, universities, foundations and State and local government. Its members, who will number not more than 15, including the co-chairmen, will meet quarterly. The Office of Personnel Management, with the support of the Office of Management and Budget, will provide staff assistance to the Council. The Council will work cooperatively with the Comptroller General, agency Inspectors General, and senior agency officials. It will provide reports periodically to the President on specific management improvements it has made within the Federal government.

The tasks the President will ask the Council to perform include the following:

- . Provide advice and assistance on critical management problems and issues of Federal agencies.
- . Undertake specific management improvement projects involving one or more Federal agencies.
- . Support the development of management systems or management techniques to improve the effectiveness and productivity of Federal programs.

- . Identify critical management problems and constraints on management effectiveness and propose solutions to these problems.
- . Utilize the combined experience of the public and private sectors in developing solutions to the problems and issues of public sector management.
- . Undertake specific management improvement projects which the President may from time to time direct.

The charter of the Council will provide that, as a general rule, the Department or Agency with a problem will have the lead in developing and implementing solutions to the problem. The Office of Personnel Management and the Office of Management and Budget will have specific, direct roles in these agency or departmental efforts. They will assist the agencies in diagnosis of the problems and in implementation of remedial actions.

Agencies will normally chair task forces and supply staff and other resources for this purpose. The task forces will include Office of Management and Budget and Office of Personnel Management staff. The role of these two agencies on the task forces will be not only to contribute directly to the efforts, but also to assure that the full institutional support of these two offices is brought to bear in assisting the agency in solving the problem.

The Council will also utilize the Assistant Secretaries' Management Group as a resource for identification and resolution of problems.

Projects initiated under Council auspices will give priority to the rapid identification of problems and the prompt development of remedial actions. However, project teams will also be sensitive to the need to assure that the improvements made are lasting. Long term improvement plans for the program or agency will be a routine product of task force efforts. The Agency affected, as well as OMB and OPM, will monitor the implementation of the plans.

The major immediate result the Council can expect to achieve in any given instance is the solution to a specific problem for that agency, with specific plans for the development of the needed longer term changes which must occur if the short-term improvement is to become a permanent feature of the way the agency is to be managed. There are, as well, some larger purposes which are longer range and which ought to be government-wide in their impact over time. The persistent problem of inflation requires that there be major government-wide efforts to improve general management practices and productivity in the public sector.



It is anticipated that the Council will become an important mechanism for transferring the information and research results from OPM's productivity program into action, and for assuring the appropriate application of OMB's management policies to support general management improvements.

The Council, in addition to its specific problem solving role for individual agencies, should become over time an important forum for the exchange of ideas and information about what is most effective in making government work. While the Council will focus on problems of program implementation, it should in the course of doing that develop an institutional knowledge of what works well and be in a position to suggest models for management improvement which should be of use to all agencies. The result should be ultimately a growth in productivity in the Federal government.

STATINTL

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100150003-7

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100150003-7